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U.S. DEPARTMENT OF LABOR
Bureau of Employment Security
Washington 25, D.C.

January 17, 1958

ALL EMPLOYERS OF MEXICAN NATIONALS:

The practice of recruiting predesignated Mexican workers under the Mexican Labor Program exists by virtue of an informal agreement between Mexican officials and the U.S. Department of Labor. The purpose is to provide to specific employers workers who have proven themselves to be capable and experienced in performing special operations which require previous experience and knowledge of the employer's operations. The predesignated workers are called "specials."

In this connection an extremely serious situation has arisen causing a deep concern to both the United States and Mexico. It has come to the attention of the Mexican and American authorities that in a number of instances employers have been paying amounts to various persons for facilitating the furnishing of "specials."

This practice seems to be carried out in various ways: either through the use of intermediaries or directly by the employer or by advances to the workers to pay the intermediaries. In some instances, agents of insurance companies have served as "intermediaries." Then deductions are made from the earnings of the workers to cover the payment. These deductions are illegal and must be refunded immediately.

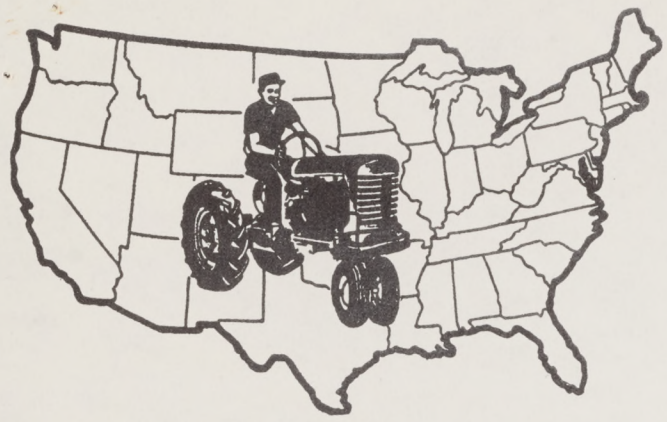
In the face of this situation, the representatives of the Mexican Government and of the Department of Labor in Washington have decided to issue the following warning to all employers, workers and insurance companies that the Mexican and the American Governments definitely disapprove the practices of paying illegal exactions directly or through intermediaries, and of charging such fees to the workers. Both Governments will take immediate corrective measures to stamp out traffic which has tarred the "special" program with the stigma of being the vehicle for illegal fees.

Employers found to be responsible for the payment directly or indirectly of such illegal fees will be disqualified from further participation in the program. Any insurance company found to be engaging in this practice through any of its officers, agents, or employees will be debarred from writing insurance in the Mexican Labor Program.

We urge your cooperation in putting an end to this undesirable situation by reporting to the nearest Mexican Consul or Representative of the Department of Labor the names and solicitations of any person trying to exact any money from employers or workers.

Sincerely yours,

Robert C. Goodwin, Director
Bureau of Employment Security



NATIONAL AGRICULTURAL WORKERS UNION

A. F. L.—C. I. O.

Phone: NOrth 7-1750

2140 P STREET, NORTHWEST
Washington 7, D. C.

February 17, 1958

Dear Congressman:

Will you use your influence to bring about a thorough investigation of the operation of the Mexican Farm Labor Importation Program? Under Public Law 78, the Secretary of Labor is authorized to bring in Mexican Nationals to be employed as seasonal harvest hands. In 1956 and again in 1957, nearly one-half million Mexican contract Nationals were employed on 68,000 of the largest farms in this country.

We believe that a full scale investigation by Congress will reveal that the administration of this Mexican Farm Labor Importation Program has broken down and that it now approaches a state of corruption. In a memorandum attached to this letter we cite specific cases which we are confident are not isolated incidents, but symptoms of mal-administration by the Secretary of Labor who has apparently abdicated his public responsibility to private interest.

We are enclosing a copy of a recent letter from Robert C. Goodwin, Director of the Bureau of Employment Security, addressed to "All Employers of Mexican Nationals" which substantiates our contention that this program involving nearly 500,000 foreign workers is fraught with corruption and illegal activities on the part of large farm operators and their associations.

We also call your attention to the introduction of a series of bills in the House of Representatives on January 29th. which are designed to make the Mexican Farm Labor Importation Program a permanent feature of American agriculture. HR 10360 by Mr. E.C. Gathings of Arkansas and identical bills by four other members would strike out Section 509 of Public Law 78 which is as follows: "No worker shall be available under this title for employment after June 30, 1959."

In view of the existing situation affecting this program, we urge that no action be taken on these bills and that requests for appropriations made by the Department of Labor for operation of the Mexican Program be delayed until a thorough and complete investigation can be undertaken by Congress to determine the extent of corruption in this program.

Sincerely yours,

H. L. Mitchell
H.L. Mitchell
President

Ernesto Galarza
Ernesto Galarza
Secretary

February 17, 1958

MEMORANDUM

TO: All Members of Congress

FROM: National Agricultural Workers Union AFL-CIO

SUBJECT: The Need for a Congressional Investigation of the Mexican Farm Labor Importation Program

For the past two years the Secretary of Labor has permitted nearly half a million Mexican Nationals to come into the United States annually and to be employed on the larger farms as contract laborers to the detriment of American farm workers and the nation's smaller farmers who must compete with this low wage labor supply for jobs and for markets.

At a time when nearly 5 million Americans are out of work and unemployment is growing, we do not believe that the Congress can justify the continuation of the Mexican Farm Labor Program on the present scale, much less to make the importation of Mexican farm labor a permanent feature of American agriculture. This would be done if HR 10360 by E.C. Gathings of Arkansas or identical bills by Clark W. Thompson of Texas, Charles M. Teague of Calif., Henry A. Dixon of Utah, and William S. Hill of Colorado are enacted.

We urge Congress to conduct a full scale investigation of the operation of the Mexican Farm Labor Program. We are confident that such an investigation will reveal that the Secretary of Labor has so administered Public Law 78 as to adversely affect the wages of American farm workers, contrary to specific provisions of the law, and that he has failed to carry out the intent of Congress that American farm workers shall be given preference on jobs over Mexican Nationals; and that he has permitted the operation of various schemes for individual profit making to develop in connection with the Mexican Farm Labor Program, in violation of Public Law 78 and the international agreement made with the Government of Mexico respecting the Mexican contract Nationals.

We base our requests for the above action by Congress on the following:

In the calendar year 1957 - 492,860 Mexican Nationals were imported and re-contracted for employment on farms by 289 associations of farm employers representing 68,279 individual employers.

In the State of California alone, 156,736 Mexican contract Nationals were employed during 1957, through 57 farm employer associations which represented 5,875 individual farm enterprises.

The peak of employment of Mexican contract Nationals in California occurred in September 1957, when 100,302 such workers were reportedly employed in all the major farm production areas.

The importation of Mexican Nationals into California, as in other states, has grown steadily during the past five years. In October 1951, Mexican Nationals at work in California agriculture represented 14 per cent of the seasonal farm

labor force. In the same month of 1956, they composed 35 per cent of that category.

Public Law 78 provides for the protection of domestic farm workers against displacement by Mexican Nationals and other adverse effects of foreign labor contracting. Under Public Law 78 the U.S. and Mexican governments have negotiated an International Agreement which provides for the protection of the Nationals. Additional protection is provided through individual work contracts signed by representatives of both governments, by the employer and by the worker.

The state departments of employment and the U.S. Department of Labor have the joint responsibility for administering the Mexican labor program.

After careful consideration of evidence that has accumulated over the past five years, but especially during 1957, we have come to the conclusion that the joint responsibility of the State and Federal agencies charged with certification and compliance has not been properly discharged. It appears that the administration of the program has been substantially turned over to the private farm employer associations. There has been an abdication of public authority in deference to private interest, and this had made possible conditions such as are typified by the following examples:

. . . Contrary to the intent of Congress, Mexican contract Nationals are now widely employed in skilled farm work as irrigators, tractor drivers, trimmers, packers, camp helpers and other categories of labor from which domestic workers have been displaced.

. . . Over one hundred domestic pickers who applied for jobs in Sutter County, California during the 1957 peach harvest were turned away while Mexican contract Nationals were at work in the orchards.

. . . In November and December 1957, crews of domestic workers were rejected by employers who were using Mexican contract Nationals in onion planting and celery harvesting in San Joaquin County, California.

. . . Domestic farm labor families living in a Public Housing Authority camp in Patterson, Calif. were forced to vacate their units to make way for Mexican contract Nationals to be employed in the same crops.

. . . A farm labor contractor who farms in the Tracy, Calif. area and operates a packing shed refused employment to domestic applicants because he had only enough work to keep his Mexican contract Nationals busy for a few days.

. . . Private farm labor contractors have been permitted to use, assign, manage, and supervise Mexican contract Nationals in violation of the International Agreement between the United States and Mexico.

. . . The D'Arrigo Company of Santa Clara, Calif. has hired Mexican contract Nationals and employed them in non-stoop labor field operations "to eliminate costly domestic labor."

. . . Although Public Law 78 provides that the employment of Mexican contract Nationals may not adversely affect wages of domestic farm workers, the evidence shows that over a period of ten years where Mexican contract Nationals have been

employed, farm wages have been frozen or have in some cases, been reduced substantially.

. . . In tomato picking in San Joaquin County, Calif.,a crop activity now dominated by Mexican contract Nationals, wages for harvesting tomatoes dropped from 18 cents to 11 cents a box over a period of 5 years ending in November 1957.

. . . A Mexican contract National who worked 40 hours in one week in the summer of 1957 and earned a total of $10.68, owed $3.82 because his deductions for food and insurance amounted to $14.50.

. . . Ten Mexican contract Nationals during one week of employment showed on their records deductions for non-occupational insurance of $40.00. The proper charge under the insurance policy should have been $9.10.

. . . An employee of a growers' association set up a private business of cashing checks for Mexican contract Nationals under arrangements which practically made it compulsory for the workers to pay a toll for this service.

. . . The Northern California Growers Association has been regularly collecting one dollar a week from Mexican Nationals as a premium on non-occupational accident insurance. The Mexican Nationals are not given a copy of this policy. When the Mexican Nationals are contracted they are advised that the premium is 91 cents a week. The standard policy calls for a payment of $3.61 per calendar month to the insurance company.

. . . Although the United States is bound by a treaty to see to it that Mexican Nationals are served meals at cost, last summer one operator made a profit of $21,000 based on a margin of 50 cents per man per day.

. . . A Mexican National was killed in a fall from a truck one month after he and his fellow workers had asked the De Candia Farms of Stockton, Calif. (the employer) to correct the unsafe condition of the truck on which they were being transported. The company had failed to take action.

. . . In California, a compliance officer for the U.S. Department of Labor was dismissed under a cloud of charges after he had filed reports on violations by farm labor contractors and employers connected with the management of the San Joaquin Farm Production Association.

In 1957 in the adjoining states of Idaho, Washington and Oregon, comprising Region XI, the Regional Director of the Bureau of Employment Security, U.S. Department of Labor attempted to carry out the intent of Congress that the employment of Mexican Nationals should not adversely affect the wages of domestic farm workers and required that farm employers offer domestic workers a minimum wage of $1 per hour before they would be permitted to import Mexican farm workers. The Regional Director was then removed from his position by the Secretary of Labor and transferred to another area as a result of political pressure engendered by farm employers. Following the requirement that employers offer domestic workers a minimum of $1 per hour, few Mexican contract Nationals were imported into the states of Idaho, Oregon and Washington.

The fact that the foregoing cases are not isolated incidents but rather symptoms of a break down of the administration of the Mexican Farm Labor

Program, is substantiated by a belated warning to "All Employers of Mexican Nationals" issued by Robert C. Goodwin, Director, Bureau of Employment Security, dated January 17, 1958 (copy attached) regarding illegal deductions from wages of Mexican contract Nationals.

These are the conditions prevailing at a time when the Department of Labor again appears before Congress for appropriations to administer Public Law 78.

We believe that to authorize such appropriations without a full scale investigation of these conditions would make Congress a sleeping partner in an unclean traffic in labor, fast approaching a state of corruption.

We therefore call upon Congress to delay action on the Department of Labor's request until such time as a thorough inquiry can be made into every aspect of the operation of the Mexican Farm Labor Program under Public Law 78.